

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

Producers 88 (4-89) — Paid Up  
With 640 Acres Pooling Provision  
2 year lease for one lot

**PAID UP OIL AND GAS LEASE  
(No Surface Use)**

THIS LEASE AGREEMENT is made this 4<sup>TH</sup> day of JUNE, 2010, by and between WRH Sunridge, Ltd formerly known as LaCita of Brevard, Ltd., as Lessor (whether one or more), whose address is 100 Second Avenue, Suite 904 St. Petersburg, FL 33701, and DALE PROPERTY SERVICES L.L.C. 2100 Ross Ave Suite 1870 Dallas, Texas, 75201, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises:

10.00 Acres of Land, More or Less, Being Lot 1, Block 1 of the Randol Crossing Addition, an addition to the City of Fort Worth, Texas, more particularly described by metes and bounds in that certain Plat Map recorded in Volume 388-162, Page 18 & 19 of the Plat Records, Tarrant County, Texas and being more particularly described in that certain Successor Trustee's Deed and Bill of Sale dated April 5, 2005 from Andrea J. Trout, Successor Trustee to LaCita of Brevard Ltd. as recorded in Instrument Number D205093819 of the Deed Records, Tarrant County, Texas.

in the county of Tarrant, State of TEXAS, containing 10.00 gross acres, more or less, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less, until an additional or supplemental document is filed.

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of two (2) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be Twenty-Five (25%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be Twenty-Five (25%) of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the lands pooled with the leased premises are capable of either producing oil or gas or other substances covered hereby in paying quantities or such wells are waiting on hydraulic fracture stimulation but such well or wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this lease. If for a period of 90 consecutive days such well or wells are shut-in or production therefrom is not being sold by Lessee, then Lessee shall pay shut-in royalty of One Hundred and no/100 (\$100.00) Dollars per net mineral acre then covered by this lease, such payment to be made to Lessor or to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation of such operations or production.

4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor or to Lessor's credit in at lessor's address above or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive payments.

5. Except as provided for in Paragraph 3. above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the lands pooled with the leased premises, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the lands pooled with the leased premises within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore

production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the lands pooled with the leased premises. After completion of a well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the lands pooled with the leased premises as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the lands pooled with the leased premises as to formations then capable of producing in paying quantities, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

6. Lessee shall have the obligation to pool all of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling, a copy of which shall be provided to Lessor within thirty (30) days of written request from the Lessor. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision, a copy of which shall be provided to Lessor within thirty (30) days of written request from the Lessor. Any revisions shall include the entire premises. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination, a copy of which shall be provided to Lessor within thirty (30) days of written request from the Lessor. Pooling hereunder shall not constitute a cross-conveyance of interests.

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof, provided that the Lessor is notified in writing of the period of such prevention or delay within fifteen (15) days of the commencement of the period of such prevention or delay. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall terminate immediately upon such determination.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee must provide Lessor with written notice of such claim and, after thirty (30) days of providing Lessor such written notice, may suspend the payment of royalties and shut-in royalties hereunder until Lessee has been furnished satisfactory evidence that such claim has been resolved. If subsequent to the suspension of the payment of royalties and shut-in royalties, Lessor furnishes satisfactory evidence to Lessee that such claim has been resolved, then Lessee shall be obligated to pay to Lessor all suspended payments of royalties and shut-in royalties, with interest, within thirty (30) days from the date that Lessor furnishes the evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee hereby waives and releases, on behalf of Lessee and Lessee's legal representatives, trustees, successors and assigns, all rights of ingress and egress and all other rights of every kind and character whatsoever to enter upon or to use the surface of the leased premises or any part thereof, including, without limitation, the right to enter upon the surface of the leased premises for purposes of exploring for, developing, drilling, producing, transporting, mining, treating, storing or any other purposes incident to the development or production of the oil, gas and other minerals in and under the leased premises

**DISCLAIMER OF REPRESENTATIONS:** Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

**IN WITNESS WHEREOF,** this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

**LESSOR (WHETHER ONE OR MORE)**

WRH Sunridge, Ltd  
By: WRH Properties, Inc. general partner

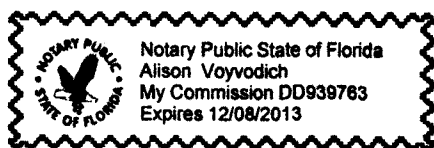
Signature: \_\_\_\_\_

Mark J. Rutledge, President

**ACKNOWLEDGMENT**

STATE OF FLORIDA  
COUNTY OF Pinellas

This instrument was acknowledged before me on the 4 day of June, 2010, by Mark J. Rutledge, President of WRH Properties, Inc., general partner of WRH Sunridge, Ltd on behalf of said corporation.



Notary Public, State of Florida  
Notary's name (printed):  
Notary's commission expires:

## ADDENDUM

Attached to and made a part of that certain Paid Up  
Oil and Gas Lease, dated JUNE 4<sup>TH</sup>, 2010, by and between  
WRH Sunridge, Ltd., as Lessor, and Dale Property Services, L.L.C., as Lessee

**THE TERMS OF THIS ADDENDUM SHALL CONTROL OVER ANY INCONSISTENT PROVISION  
OF THE FOREGOING LEASE**

17. All royalties, as used in Paragraph 3, shall be payable in cash (unless Lessor elects to take such royalty oil or gas in kind), and shall be free of all costs of any kind, including, but not limited to, costs of gathering, production, transportation, treating, compression, dehydration, processing, marketing, trucking or other expense, directly or indirectly incurred by Lessee, whether as a direct charge or a reduced price or otherwise; however, any such costs incurred on an unaffiliated interstate or intrastate gas pipeline which result in enhancing the value of the marketable oil, gas or other products to receive a better price may be deducted from Lessor's share of production so long as they are based on Lessee's actual cost of such enhancements. In no event shall Lessor receive a price that is less than the price received by Lessee. Furthermore, in no event shall Lessor receive less than would have been received had Lessee used an affiliated pipeline. With exception to the aforementioned costs associated with an unaffiliated pipeline, Lessee agrees to bear one hundred percent (100%) of all costs and expenses incurred in rendering hydrocarbons produced on or from the leased premises marketable and delivering the same into the purchaser's pipeline for immediate transportation to an end user or storage facility. It is the intent of the parties that the provisions of this Paragraph 17 are to be fully effective and enforceable and are not to be construed as "surplusage" under the holding set forth in *Heritage Resources v. NationsBank*, 939 S.W.2d 118 (Tex. 1996). Additionally, said royalties shall never bear, either directly or indirectly, under any circumstances, the costs or expenses (including depreciation) to construct, repair, renovate or operate any pipeline, plant, or other facilities or equipment used in connection with the treating, separation, extraction, gathering, processing, refining, transporting, manufacturing or marketing of hydrocarbons produced from the leased premises or lands pooled therewith. Lessor's royalties shall bear Lessor's proportionate part of all ad valorem, excise, state severance, wind-fall profits, or like and similar taxes imposed on hydrocarbons or on the value thereof that is attributable to Lessor's royalties, if any, paid by Lessee, which proportionate part may be deducted from Lessor's royalties before payment to Lessor.

18. A well shall be conclusively deemed to have ceased producing in "paying quantities" (i) the day oil or gas ceases to be produced and sold therefrom or (ii) if the gross proceeds of sale of oil and gas produced from such well during any consecutive six (6) month period is less than the sum of all leasehold burdens, costs, and expenses during said six (6) month period, including, without limitation, all landowner royalty, overriding royalties, non-participating royalties, production payments and similar interests, operating and overhead costs and expenses, taxes and any and all other costs and expenses (other than costs and expenses directly related to drilling, completing or equipping same) attributable to such well.

19. Lessee shall furnish and make available to Lessor full and complete information regarding all matters involving, concerning, or affecting this lease and Lessee's operations hereunder, including copies of all agreements, contracts, title opinions, forms filed with the Railroad Commission of Texas or other regulatory agencies, production reports, a copy of which shall be provided to Lessor within thirty (30) days of written request from the Lessor. Except with respect to Lessor's representatives, Lessor agrees to not disclose to any third party any confidential and proprietary information disclosed by Lessee hereunder.

20. Lessee shall, within thirty (30) days after the recording of any unit designation, or any amendment, release or other instrument affecting the same, furnish to Lessor a recorded copy of such instrument and all exhibits attached thereto.

21. The right granted under Paragraph 3 to maintain this lease in force and effect solely by payment of shut-in royalties may only be exercised twice, each for up to a maximum of a one (1) year period. Lessee shall pay as royalty, commencing on or before 90 days after such well is first shut-in, a sum equal to One Hundred (\$100.00) Dollars per net mineral acre per annum as shut-in royalty payment. A well that has never produced shall be deemed shut-in on the completion date of such well, and a well which ceases production shall be deemed shut-in on the day following the day such well ceases to produce. Notwithstanding anything herein to the contrary, a producing well capable of producing in paying quantities will nonetheless be deemed to be shut-in if its cumulative production in any calendar month is less than ten percent (10%) of the production such well could have produced in a month if such well flowed at 100% of its deliverability (measured in accordance with any applicable rule) during such calendar month.

22. LESSEE AGREES TO INDEMNIFY THE LESSOR FROM AND AGAINST ANY AND ALL DAMAGE, LOSS, COST, EXPENSE, LIABILITY, CLAIM, OR PROCEEDING (INCLUDING WITHOUT LIMITATION (i) ANY OF THE SAME ARISING OR ALLEGED TO ARISE FROM THE SOLE, JOINT, OR CONCURRENT NEGLIGENCE OR STRICT LIABILITY OF LESSOR AND (ii) ATTORNEYS' FEES AND COSTS), WHICH MAY AT ANY TIME BE THREATENED AGAINST, IMPOSED UPON,

INCURRED BY, OR ASSERTED OR AWARDED AGAINST THE LESSOR IN CONNECTION WITH, RELATED TO, OR ARISING DIRECTLY OR INDIRECTLY IN ANY WAY OR MANNER FROM OR OUT OF THE OPERATIONS UNDER THIS LEASE, INCLUDING, WITHOUT LIMITATION, ANY SUCH LIABILITIES ARISING FROM OR IN CONNECTION WITH ANY FEDERAL, STATE, OR LOCAL STATUTE, LAW, RULE, REGULATION, OR ORDINANCE.

23. Notwithstanding anything hereinabove to the contrary, it is specifically understood and agreed that this lease covers only oil and gas, including the associated liquid or liquifiable substances and sulfur normally produced with such hydrocarbons, and that this lease does not cover or include any other minerals, with all other such minerals, including, but not limited to, uranium, coal, lignite, iron ore, gravel and the like, being specifically reserved to the Lessor herein. Lessor shall be entitled to receive Lessor's proportionate part, one-fourth (1/4th), of all sums or other benefits payable to Lessee by virtue of products recovered or sold as a result of this oil, gas and mineral lease. Included within said term "products", but not limited thereto, is gasoline, butane, propane, other liquid hydrocarbons extracted, manufactured or recovered by Lessee or for which Lessee might be paid.

24. At the end of the primary term, this lease shall terminate as to all depths below the stratigraphic equivalent of the total depth drilled and logged for any well or wells drilled, and then currently producing in paying quantities, on said land or on land pooled therewith.

25. Lessee shall carry, at all times while this Lease is in force, adequate insurance, including broad form blanket contractual liability coverage and a waiver of subrogation by the insurance company to claims against Lessor.

26. It is understood that the leased premises are now being, or may hereafter be, used by Lessor, as the surface owner of said land, for commercial purposes, and Lessee shall not use the surface of the leased premises for any operations. Lessee hereby waives any rights it may have according to law, implied or otherwise, for ingress, egress, laying of pipe and other use of the surface of the leased premises.

27. If this lease shall expire, or otherwise terminate, as to all or any portion of said land, Lessee shall promptly deliver to Lessor a copy of a fully executed release and surrender of this lease, save and except that portion of said land maintained by virtue of any provision herein, which has been filed and duly recorded with the Office of the County Clerk of Tarrant County, Texas.

28. Lessor and Lessee agree to enter into, contemporaneously herewith, a memorandum of lease which is to be filed and duly recorded with the Office of the County Clerk of Tarrant County, Texas.

29. Accounting and payment to Lessor of royalties from the production of oil and gas herein provided shall commence no later than Ninety (90) days after the date of first production. First production for a gas well shall be defined as the date of first sale of gas and for an oil well the date oil is first produced, other than for testing purposes. Thereafter, all accountings and payments of royalties shall be made on or before the 10th day of the second calendar month following the calendar month in which the production occurred. Royalties or other payments provided for in this lease that are suspended or not paid to Lessor within the time period specified therefor shall accrue interest at the rate of ten percent (10%) per annum, from due date until paid. Acceptance by Lessor, its successors, agents or assigns of royalties which are past due shall not act as a waiver or estoppel of its right to receive or recover any and all interest due thereon under the provisions hereof, unless the written acceptance or acknowledgment by Lessor to Lessee expressly so provides. Any tender or payment to Lessor of a sum less than the total amount due to Lessor hereunder which is made or intended to be made as an offer of settlement or accord by or on behalf of Lessee, its agents, successors or assigns, must be accompanied by a Notice. The rights of Lessor under this paragraph shall be in addition to, and not in lieu of, all rights Lessor may have as to payment of royalty under the Natural Resources Code, Secs. 91.401 - 91.405, or as amended.

30. All of the provisions of this lease constitute covenants and not powers with or without a coupled interest. All such provisions shall be enforced as a contract. Any violation of the provisions shall constitute a breach of covenant for which damages may accrue.

31. This lease shall terminate and all rights granted by Lessor to Lessee shall be divested of Lessee and vested in Lessor, upon the happening of the following event:

During any period of time after the conclusion of the primary term, if Lessee shall remain in default of payment of shut-in royalty or royalty from production (all pursuant to this lease) for at least 30 days, after receiving written notification from Lessor sent to Lessee at the address contained in this lease or at such address thereafter furnished to Lessor by Lessee.

This termination paragraph shall not apply in the event of a bona fide dispute or question regarding title or ownership of minerals and royalty, which arises prior to the execution of division orders. In order to avoid the automatic application of this termination provision, however, Lessee must notify Lessor in writing:

1. The nature of the dispute or question.
2. When it was discovered by Lessee.
3. A reasonable estimate of the time required to resolve the dispute or question.
4. What action Lessor may take to resolve the dispute or question.

**Notwithstanding the provisions of this paragraph, this lease shall automatically terminate at the end of the primary term unless it continues according to another provision of this lease, and Lessor shall not be required to provide notice of any kind to Lessee in such event.**

32. This agreement shall be performed in Tarrant County. This agreement is binding on the Lessor and Lessee, their heirs, executors, successors and assigns. It is agreed that venue for any dispute involving this lease shall lie in Tarrant County. Should the Lessor prevail in any litigation, in enforcement of this lease, Lessor will be entitled to reasonable attorney's fees, costs, and prejudgment interest, as provided herein or determined by law.

33. Paragraph 10. shall be deleted in its entirety.

34. Paragraph 12. shall be deleted in its entirety.

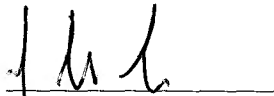
35. Paragraph 14. shall be deleted in its entirety.

Lessor

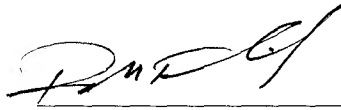
Lessee

WRH Sunridge, Ltd.  
By WRH Properties, Inc.,  
General Partner

Dale Property Services, L.L.C.



Mark J. Rutledge, President



Raley Taliaferro - Vice President

SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

DALE RESOURCES LLC  
2100 ROSS AVE STE 1870 LB-9  
DALLAS, TX 75201

Submitter: DALE RESOURCES LLC

**DO NOT DESTROY**  
**WARNING - THIS IS PART OF THE OFFICIAL RECORD.**

Filed For Registration: 6/11/2010 12:53 PM

Instrument #: D210140060

LSE

7

PGS

\$36.00

By: \_\_\_\_\_

*Suzanne Henderson*

D210140060

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY  
BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: AKCHRISTIAN